

SB

59

AMENDMENT

OFFERED IN THE HOUSE
TO: CSSB 59(FIN)

BY REPRESENTATIVE COGHILL

- 1 Page 1, line 1, following "promote":
- 2 Insert "**dog mushers' contests and**"
- 3
- 4 Page 2, line 20, following "derby":
- 5 Insert "**a dog mushers' contest,**"

25-LS0823VA
Luckhaupt
3/29/07

**HOUSE CONCURRENT RESOLUTION NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION**

BY

**Introduced:
Referred:**

A RESOLUTION

1 **Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State**
2 **Legislature, concerning Senate Bill No. 59, relating to charitable gaming.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of
5 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding
6 changes to the title of a bill, are suspended in consideration of Senate Bill No. 59, relating to
7 charitable gaming.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 5101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 22, 2007

SUBJECT: Sectional Summary - CSSB 59(FIN)
(Work Order No. 25-LS0410\E)

TO: Senator Gary Stevens

FROM: Gerald P. Luckhaupt *GPL*
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill - the bill itself is the best statement of its contents.

Section 1. Amends AS 05.15.100(a) by adding a conforming amendment to the addition of "cabbage classics" as an authorized form of charitable gaming in sec. 5.¹

Section 2. Amends AS 05.15.115(c) by adding a conforming amendment to the addition of "cabbage classics" as an authorized form of charitable gaming in sec. 5.²

Section 3. Amends AS 05.15.180(b) by adding a conforming amendment to the addition of "cabbage classics" as an authorized form of charitable gaming in sec. 5.³

Section 4. Amends AS 05.15.640(a) to allow radio and television broadcasting to promote raffles and lotteries.

Section 5. Amends AS 05.15.690 by adding a "cabbage classic" conducted by the Palmer Rotary Club at the Alaska State Fair as an authorized form of charitable gaming in Alaska.

GPL:ljlw
07-155.ljlw

¹ Although "a cabbage classic" is listed in this subsection, the plural "cabbage classics" would be the proper form to be used in this subsection.

² Although "a cabbage classic" is listed in this subsection, the plural "cabbage classics" would be the proper form to be used in this subsection.

³ Although "a cabbage classic" is listed in this subsection, the plural "cabbage classics" would be the proper form to be used in this subsection.

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 59
(S) Publish Date: 2/9/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue 04
Title Broadcasting Promoting Charitable Gaming RDU Taxation and Treasury
Component Tax Division
Sponsor Senator Stevens
Requester (S) Labor & Commerce Component No. 2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would allow a permittee (or operator under contract with an authorizing permittee) to broadcast promotion of a charitable raffle or lottery. The means allowable include radio and television. Anyone who can conduct a raffle would be allowed to promote it by broadcasting via radio or television.

Though the bill language applies to raffles and lotteries, the statutory definition [AS 05.15.690(38)] equates the two, effectively giving two different names to the same activity. Thus, there is no apparent authorization to expand the kinds of gaming activity that can be promoted or conducted.

We do not anticipate any additional costs or revenues as a result of this bill.

Prepared by: Larry Meyers and Dan Stickle Phone (907) 269-6620
Division Tax Division Date/Time _____
Approved by: Jerry Burnett Date 2/3/2007
Agency Department of Revenue

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 59(FIN)
 (S) Publish Date: 3/14/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue 04
 Title Broadcasting Promoting Charitable Gaming RDU Taxation and Treasury
 Component Tax Division
 Sponsor Senator Stevens
 Requester (S) Finance Component No. 2476

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 (see attached)

Prepared by: Larry Meyers and Dan Stickel Phone (907) 269-6620
 Division Tax Division Date/Time 3/13/07 12:00 AM
 Approved by: Jerry Burnett Date 3/13/2007
 Agency Department of Revenue

FISCAL NOTE # 2

STATE OF ALASKA
2007 LEGISLATIVE SESSION

BILL NO. CSSB 59(FIN)

ANALYSIS CONTINUATION

This bill will impact charitable gaming in Alaska in two ways: it will allow broadcasting to promote charitable gaming and it will formally authorize a specific cabbage classic. These two changes are addressed separately below.

Broadcasting Promoting Charitable Gaming

Section 4 of this bill would allow a permittee (or operator under contract with an authorizing permittee) to broadcast promotion of a charitable raffle or lottery. The means allowable include radio and television. Anyone who can conduct a raffle would be allowed to promote it by broadcasting via radio or television.

Though the bill language applies to raffles and lotteries, the statutory definition [AS 05 15 690(38)] equates the two, effectively giving two different names to the same activity. Thus, there is no apparent authorization to expand the kinds of gaming activity that can be promoted or conducted.

We do not anticipate any additional costs or revenues as a result of this section of the bill.

Cabbage Classic

Sections 1-3 and section 5 of this bill formally authorize in statute a cabbage classic. A cabbage classic is defined as "a game of chance where a prize of money is awarded for the closest guess of the weight of the winning cabbage at the Giant Cabbage Weigh-Off." This contest would be formally authorized only for the specific cabbage classic operated and administered by the Palmer Rotary Club at the Alaska State Fair in Palmer. There is no authorization to expand gaming activity other than to formally allow this specific cabbage classic.

Since only one specific cabbage classic is authorized, we expect one additional charitable gaming permit. The cost of this annual permit will range from \$20 to \$100 depending on gross receipts of the permittee. Also, assuming gross receipts are at least \$20,000, a small amount of revenue would be collected from the 1% net proceeds fee. Revenues are shown as indeterminate because they would depend on the amount of net proceeds from the cabbage classic.

We anticipate that any additional costs can be absorbed.

Senator Gary Stevens
Majority Leader of the Senate
State Capitol, Room 103
Juneau, Alaska 99801-1182

February 8th 2007

RE: LETTER OF SUPPORT SENATE BILL 59 Introduction charitable raffles and lotteries

Dear Senator Stevens,

Due to unforeseen a work related situation today (February 8th 2007 at 2:00PM) during the legislative teleconference at 2:00PM I was not able to (testify) in support of (SB 59) related to Charitable raffles and Lotteries. I would like to provide my letter of support for the following reasons. I have been involved for several years in the Ketchikan Running Club, Rotary 2000, Big Brothers Big Sisters, Team Diabetes Pennock Swim, Ketchikan Youth Court, Ketchikan Lions Club, Revilla Island Prevention Coalition, and Ketchikan Chamber of Commerce. While not all of these organizations run raffles they are connected in many ways to those who do run raffles.

The reality is that budgets are tight everywhere and will become tighter. Businesses have a long-term plan if they want to survive. Non-profits need to think like business people, and diversify their funding sources too. Many non-profits don't have (a service or product) to sell so they use raffles to generate funds for the non-profit programs and projects. Raffles also allows youth and adult a chance to give their pitch on their organization. The better they can promote the raffle the better the outcome. The great thing about raffles too is it allows everyone to make their own decision whether or not to purchase a raffle ticket.

Today, more than ever with both parents and single parents including myself, working sometime (2 or more) jobs to make ends meet because of the simple cost of increases in day to day living and medical expenses there is a need for many non-profits more than ever. These non-profit programs serve important purposes in our communities. They enhance the quality of our lives and sometimes give us the assets that are missing in our fast paced lives.

These programs make people feel good and they give adults, seniors, teenagers, and kids an improved quality of life. Many sports teams, senior programs, civil groups, and a wide-range of different non-profits rely on raffles to balance their operating budgets. During a time of decreased funds from Federal and State Grants many of us have depended on these local fundraisers to assure we can keep our doors open, send a child on a sports event, debate, or drama event, and generate funds for Senior programs, Homeless Shelter, or Youth programs.

SB 59 will allow raffles to be advertised on the radio and television. This will allow us not only to thank everyone who was involved, but promote it in an effective and professional manner. There is no better time than now to help keep programs in solid positions to reassure our children, teenagers, and adults that we care about the quality of life they have in their communities. It is an awesome opportunity to streamline our fundraising efforts when other funds sources are drying up.

I leave you with these thoughts as these show the impact raffles have on our programs.

-----" A little person beams and raves about the opportunity have a Big in their life who took time to come each week to school. The quiet child is glowing with happiness that someone cares-that someone remembers to follow through—someone did not let them down."

Big Brothers Big Sisters Raffle

-----"A youth court member sticks youth court out for 5 years --graduates high school after struggling in a single family home for years. Not only did that member learn leadership and public speaking skills, took part in countless hours of community service projects, but lead a sport team at school, graduated with honors, and had a chance to go to college."

Ketchikan Youth Court Raffle

-----"The sky lights up with brilliant fireworks and a family of four watches from the 3rd Ave. The fireworks doesn't last more than 15 minutes, but just for those simple moments a family enjoys together time."

Ketchikan Lions Club Raffle

-----"Diabetic Educator Janet takes the opportunity to gives a support group training to teenagers and kids. Those moments when they think they are all (alone) gives them hope that there are others out there fighting the same thing."

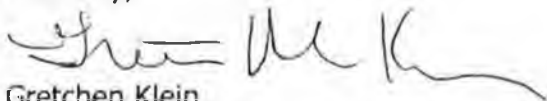
Team Diabetes Raffle Fundraiser

----A soccer team member comes up smiling about a successful win. Dirtying and wet, but smiling because of enough people supported their fundraiser and they get to go to the finals." ---These are just samples of simple thoughts I have heard over the years)

Raffle for Soccer, Wrestling. Or Swim Team

Thank you for your time and consideration of this important SB 59. It will allow us to continue to work we all do to make each community a wonderful place to live.

Sincerely,



Gretchen Klein

Affiliations and Memberships

Ketchikan Youth Court Director

8 years

Alaska Community Services Program Manager

3 years

Ketchikan Lions Club Member

9 years

Ketchikan Chamber of Commerce Member

6 years

Team Diabetes for Running and Swimming Annual Fundraiser

7 years

Ketchikan Running Club Member

15 years

Rotary 2000 Member

3 years

Big Brothers Big Sisters of Ketchikan Friend of Program

5 years

Association for the Education of Young Children Liaison Ketchikan

2034 First Ave

Ketchikan, Alaska 99901


907 225-2072

Emily Stancliff

From: Glen Anderson [glen.anderson@nnbradio.com]
Sent: Thursday, February 08, 2007 5:52 AM
To: Rep. Jay Ramras
Subject: Hi from Glenner

Hi Jay!
Hope all is going well in the city of rain.

I am sending this e-mail in hopes of gaining support for House Bill 110 in regards to advertising gaming and lottery for charitable organizations on TV and Radio. As I am sure you are aware, there is currently a double standard regarding this issue. while the advertisement of charitable gaming and raffles are legal in print form, they are still illegal in our media even though no other form of media does more for charitable organizations then radio. From United Way to FRA, Big Brothers/Big Sisters to RCPC, we constantly receive countless Public Service announcements for various fundraisers and charities which we can not do anything about due to the fact that they are using some form of games of chance. We air more then 50 PSA's per week per station) both recorded and live each and every week over the airwaves. Unfortunately, most charities use some form of gaming, lottery or raffle to raise funds and we can not help them. Is there a monetary gain for the industry? of course there is, one that Newspapers and magazines have used successfully for years. It is time to level the playing field.



Thanks Jay


Glen Anderson
Operations Manager
New Northwest Broadcasters
Fairbanks, Alaska
KXLR/KCBF/KWLF/KUWL/KFAR
(907)451-5910
Cell:907-378-2796



Alaska Juneau
Communications, Inc.

February 6, 2007

The Honorable Gary Stevens
State Senate
State Capitol Room 103
Juneau, AK 99801-1182

Dear Senator Stevens 

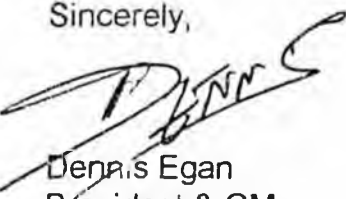
Thank you for introducing SB59 in support of a solution to the disparate treatment currently being imposed on Alaska's broadcasters by current Alaska Statute.

As you know, Alaska Statute §05.15.640(a) bans, but only via radio and television, the advertising of lawful charitable gaming or conduct. Newspapers are free to advertise the very same activity and conduct that radio and television stations may not advertise.

In fact, the current law actually impedes positive governmental interests by prohibiting Alaska's broadcasters from assisting deserving non profit organizations in their efforts to raise money to reach their goals. In a period of tight state revenues and charitable giving, this unwarranted restriction is simply flawed policy.

Broadcasters throughout Alaska appreciate your willingness sponsor legislation to correct this inequity.

Sincerely,


Dennis Egan
President & GM
AJCI (KINY-AM, KSUP-FM)

Emily Stancliff

From: Hutton, Pete [PeteHutton@clearchannel.com]
Sent: Thursday, February 08, 2007 12:25 PM
To: Rep. Jay Ramras
Subject: House bill 116

Jay, we would really like to see your support for this bill. thanks
Pete Hutton
General Manager
Clear Channel Radio-Fairbanks
KFBX-AM-KIAK-FM-KAKQ-FM-KKED-FM
907 450-1023-direct
907 450-1094-fax
907 347-7136-cell

Doug Letch

From: Sen. Gary Stevens
Sent: Thursday, February 08, 2007 10:08 AM
To: Doug Letch
Subject: FW: Letter In support of HB116 and SB59

-----Original Message-----

From: Alaska Broadcasters Association [mailto:akba@gci.net]
Sent: Thursday, February 08, 2007 9:58 AM
To: David Scott; Sen. Gary Stevens
Cc: clark gruening; egan@ptialaska.net
Subject: Letter In support of HB116 and SB59

----- Original Message -----

From: "Ric Schmidt" <rschmidtknom@nome.net>
To: "Alaska Broadcasters Association" <akba@gci.net>
Sent: Monday, February 05, 2007 4:48 PM
Subject: Raffle ad story from KNOM

Darlene:

In the first week of January, when the thermometer was routinely dipping below -20, I received a call from Winnifred in Kotlik.

She politely asked if the folks in Kotlik could announce a charitable raffle on KNOM AM & FM.

She said that the city office needed a monitor heater and due to the lack of city funds the citizens had put together a raffle to collectively raise enough money to purchase the desperately needed heater.

I was forced by Alaska State law to tell her NO! I told her that newspapers are allowed to promote this type of effort, but we are not!

She said that the best way to raise the money was this raffle and the best way to promote it, would be announcing it on KNOM.

I apologized to her, and honestly...I was embarrassed!

Here was a community that didn't look to the state or federal government for help.

They were raising the money themselves, and state law was preventing them from standing on their own and buying a monitor heater for their city office.

I would hope that the people of Alaska can work to help communities like Kotlik, help themselves, without restricting their efforts through outdated laws and regulations.

We can't ask people to stand up and help, if we don't give them the tools to succeed.

Thank you for your interest in this sad story. I hope the future brings bright promise to all Alaskans.

Ric Schmidt
KNOM General Manager

I have her phone number if we want to contact her for any reason. I'd prefer to make the contact, so she has a frame of reference for this issue. Thanks. Ric



700 W 41st Avenue #102 Anchorage, AK 99503

P: 907-258-2424

F: 907-258-2414

Email: akba@gci.net

January 25, 2007

Senator Gary Stevens
State Capitol Room 103
Juneau, AK 99801-1182

Dear Senator Stevens:

Thank you for your introduction of SB 59 as a solution to the disparate treatment currently being imposed on Alaska's broadcasters by existing Alaska Statute.

As you know, Alaska Statute §05.15.640(a) bans, but only via radio and television, the advertising of charitable raffles and lotteries. Newspapers are free to advertise the very same activity that radio and television stations may not.

In fact, the current law actually impedes positive governmental interests by prohibiting Alaska's broadcasters from assisting nonprofit organizations in their efforts to raise money to reach their goals. This restriction is simply flawed policy.

This unwarranted restriction in Alaska law, removed from Federal Law many years ago, means that raffles cannot be promoted by organizations such as the VFW, the Boys and Girls Club, and other local nonprofits through the means of broadcasting.

On behalf of all broadcasters in Alaska, we appreciate and support your willingness to seek this amendment to allow each of us, through the power of radio and television broadcasting, to better serve our communities in their fundraising efforts.

Sincerely,


Scott Smith
President



Alaska Broadcasters Association

"Membership Has Its Benefits"

An Alaskan Corporation

P.O. Box 102424
Anchorage, AK 99510

Phone (907) 258-2424

Fax (907) 258-2414

E-mail akba@gci.net

March 2007

Re: House Bill 116 and SB 59

HB116 and SB 59 would afford an equal playing field for Alaska's broadcasters. Alaska Statute prohibits broadcasters from airing truthful and non-misleading advertisements of lawful "charitable gaming activity". HB 116 and SB 59 would avoid a likely constitutional challenge to the Statute.

As it stands now, Alaska Statute §05.15.640(a) bans, but only via radio and television, the advertising of lawful charitable gaming or conduct. Newspapers are free to advertise the very same activity and conduct that radio and television stations may not advertise.

In addition, the statute also impedes positive governmental interests. ABA member stations cannot assist deserving not-for-profit organizations in their efforts to raise money to meet their goals.

Alaska Statute §05.15.640(a) may well deny broadcasters equal protection under the Federal and State Constitutions since the act prohibits, without rational basis, the broadcast media from engaging in conduct which is allowed by the print media, namely the carriage of third party advertising promoting a lawful "charitable gaming activity"

ALASKA STATE LEGISLATURE




SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517

INTERIM ADDRESS
112 Mill Bay Road
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens
Senate Majority Leader

Memo

To: Representative Bob Lynn, Chair, House State Affairs Committee
From: Senator Gary Stevens 
Date: March 23, 2007
Re: SB 59

I respectfully request a House State Affairs Committee hearing on CS for SB 59(Fin): "An Act relating to the use of broadcasting to promote charitable raffles and lotteries and to establishing cabbage classics as a form of charitable gaming" at your earliest convenience.

Enclosed in the packet is copy of the current bill, fiscal note, sectional analysis and letters of support from the Alaska Broadcasters Association (ABA) and others. I anticipate ABA members will testify in support of this measure during the committee hearing and request the bill hearing be teleconferenced to the Anchorage, Ketchikan and Fairbanks Legislative Information Offices.

Please contact my aide Doug Letch with any questions about the bill at extension 1283.

Thank you for consideration of this request.